

FISCAL NOTE
SB 55 – HB 1276

March 5, 2007

SUMMARY OF BILL: Enacts the *Regulatory Flexibility Act of 2007*. Requires each agency of state government to prepare an economic impact statement prior to the adoption of any proposed regulation that may have an adverse impact on small businesses or licensees. Requires each agency of state government to review current regulations and perform similar analyses. Reviews would be required every five years after the filing date for rules adopted following the enactment of this bill.

ESTIMATED FISCAL IMPACT:

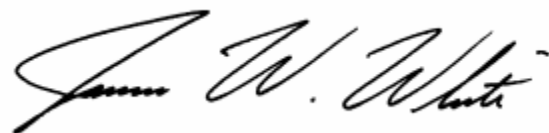
**Increase State Expenditures – Exceeds \$700,000 Recurring
\$100,000 One-Time**

Assumptions:

- For any new rule filed by a state agency, an economic impact analysis would consider the minimization of adverse impacts on small businesses and licensees, simplified reporting requirements, and specialized performance standards.
- Agencies report the intent of any rule change to the Department of Economic and Community Development (ECD) which advises and assists other agencies in achieving compliance with the provisions of this bill.
- Substantial economic analysis will be required by state agencies.
- Fourteen new staff members would be required to implement the provisions of this bill.
- Average annual salaries, including benefits, for all additional staff members are estimated at \$57,000 each.
- Estimated increase in state expenditures is \$798,000 (14 total new staff members X \$57,000 average salary = \$798,000).
- Estimated one-time increase in state expenditures of \$100,000 for office setup for additional staff members.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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